

**Town of Bluefield
Town Council
Work Session
July 28, 2020**

The Bluefield, Virginia Town Council held a Work Session on Tuesday, July 28, 2020 at 6:00 p.m. in the Council Chambers of the Town Hall located at 112 Huffard Drive, Bluefield, Virginia.

TOWN COUNCIL PRESENT

Don Harris, Mayor
Ron Holt, Councilmember
Chuck Presley, Councilmember
Jarrod Bailey, Councilmember
Anglis Trigg, Jr., Vice-Mayor

ALSO PRESENT

Mike Watson, Town Manager
Kim Hernandez, Town Clerk
Paul Cassell, Town Attorney
Billie Roberts, Comm. Dev. Coordinator
Rachel Looney, Administrative Asst.
8 members of public

ABSENT

Jimmy Jones, Councilmember
Shane Gunter, Police Chief

CALL TO ORDER

Mayor Harris opened the Work Session at 6:00 p.m.

IDA Discussion (Power Point attached at end of minutes)

Mrs. Roberts introduced Collin O'Donnell from The Grind.

Collin O'Donnell read the following:

Hello! I hope everyone is doing fantastic, I am both grateful and humbled to be here with you today.

Because I'm unsure if we've all met or introduced ourselves, I will introduce myself and run through my resume because I feel it is both relevant and establishes some foundation of professional trust, and I will also speak on who I am and why this venture means something to me, and then move onto the venture itself because I want the committee to see the full scope of my passion, interest and vision.

My name is Collin O'Donnell, I am the founder and owner of The Grind Bluefield. I am a US Army Veteran and veteran of Afghanistan.

Following injuries and illness sustained in Afghanistan I spent twenty-two months at Walter Reed national military medical center in Bethesda, Maryland, recovering and receiving more than 7 operations during my time there.

Following my retirement, I went back home to Buffalo, NY where I went to work for Orkin wildlife and pest control as a route manager.

Recognizing I wasn't fulfilling my highest potential, I made the decision to put in my two weeks' notice, sell everything I own and train 4 hours a day for the opportunity to play college football again while working a part time job. I needed to challenge myself again and I wanted to prove I wasn't disabled in the way the veterans administration had told me I was... and, no one thought it was possible, therefor I had to do it.

Bouncing from couch to couch after giving up a comfortable middle-class lifestyle, I was told I was crazy, that I was stupid for giving up a good paying job that people would kill to have... and, to some extent they were right I was crazy, and I had a vision that no one else could see at the time.

By late winter, early spring 2018 I was awarded the opportunity I had been training for and signed onto Bluefield College as a walk-on with 142 others attending camp.

In June 2018 I moved down to Bluefield with my dog, Chloe, as well as what I could fit in my jeep which was a box of clothes, an air conditioner, microwave, a blender, and a rug. I ordered a bed online and had it shipped to the apartment that I had spent every dime renting.

With 27 dollars left to my name my first month here, I sat on the ground over the next 3 months and ate my boiled chicken and broccoli, surviving on educational grant funds once they came through.

By game 3, our ESPN game of our 2018 season, I had earned the starting spot on the team, and by the end of the year I was one of the captains of the football team as well as placed on scholarship.

Out of a feeling of gratitude towards the opportunity afforded to me, I began taking an active role in serving others in the area and volunteering my time where I could. Recognizing my entrepreneurial inclinations and with my GI bill reimbursing the cost of school, I saved up my scholarship funds and decided to start The Grind.

I am still an active Bluefield college football player, and captain of my team.

I am the commonwealth's 2019 humanitarian man of the year award recipient across all college football programs for my work locally.

I am a recipient of the Presidential Call to Service Award, given to me by the President of the United States at the White House.

I am the 2 time runner up and 1 time finalist, this year, for the Armed forces merit award and have been considered for this in the likeness of The US Army at West Point staff, Air Force academy and other division one programs and players across the nation.

I have been recognized nationally by the CEO of Rollins in Atlanta Georgia for my customer service.

I am a student of Bluefield College, and a dean's list and president's list recipient.

I am the winner of the 2019 Tazewell County business challenge in two categories.

I am a resident of Bluefield and I am not trying to change the world, rather just change the world around me day by day.

Often-times, I think that people cannot accept that others do good things, just to do them, I think that we have been conditioned to believe that no one can do something good without extreme reciprocation.

I think that every time someone does something in service to others, our natural inclination due to man-kinds natural flaws, are to assume there is an egotistical purpose behind positively aligned actions.

An evident example of this was in basic training in 2013, when I was asked by my drill sergeant in front of 3 platoons, "why I joined the army". Despite having been homeless, poverty stricken, and taken in by a loving family off the streets and out of the basement of friends' homes, I did not join the army to avoid poverty. I joined the army with the purest intentions, I love my country, I wanted to serve in the shadow of my grandfather, and I had absolutely nothing to lose. I told my drill sergeant that I wanted to serve my country and that it meant a lot to have the opportunity, I felt an overwhelming sense of fulfillment at the time. My drill sergeant told me that no one joins the army just to join the army and to explain the REAL reason why I joined, or else ALL the platoons were going to run until they puked. In the moment I did not hesitate and gave the same generic answer everyone else was giving to avoid more punishment, I told my drill sergeant I joined for educational opportunities. It still bothers me to this day.

I believe, despite plenty of reason not to, that good people exist. I even believe, they exist more prominently than bad ones do, I believe that good people are often hesitant to let their light shine because others have been conditioned to put it out with ridicule and claims of ego as reasoning behind why these good individuals do good work. I believe we have been socially conditioned to accept that no good can be done without malice and I want to stand before you and do what I was too afraid to do when my drill sergeant starred me down, and tell you that I am no longer afraid to explain pure intention and reasoning behind what I do.

For a long time, I have had an unexplainable need, a passion even, to serve others. I have sought to defend the defenseless because I have been defenseless, I have sought to protect those who needed protection because I wish at times, I had - had it. I seek to serve my community, because my community has gracefully served me and I look to transform the dark into light, because I learned how to do it in myself first. The transience of lives many woes are a woven super structure to opportunity which I have learned to cultivate under the most dramatic circumstances.

I have made a life for myself in Bluefield, rooted deeply in providence, and a path which has opened doors which have appeared with no less than divine intervention. I have found, when in line with my most true self and in service to others, the necessary tools to expand my horizon appear effortlessly.

Although I am proud of the awards and accolades of my effort, it has been the things which I have done in silence for my community, which have brought me the greatest amount of satisfaction.

I believe that it is most always necessary to serve without praise or open conversation on the services one provides but with that, I believe that what I've done in my spare time is more worthy than the actions which I was actually recognized for, however I can only speak on the facts and not provide speculation as to the dent we have made in this community as a cohesive unit and company. My company has undertaken the task of providing hope during a time of destitute, a glimmer of what could be in a time of what used to be. Of course I am thankful for the accolades given to me for the work I have done, as with any person, it feels genuinely good to be able to receive recognition for something you did without the intent to be recognized, however, it feels even better when those who have given you the accolade don't even know that you and your team have donated 200 meals since pivoting your business. If all else fails and this company dissolves today, we put food in 200 local bellies.

The things done when no one is looking, are what define my time in Bluefield, it is not the business, nor is it football, nor is it education, it is leaving this place better than I found it, because I am eternally grateful that this small town that almost no one has heard of told me to "come on down" with open arms and gave me the freedom to assemble a new life for myself forged in sickening work ethic, self-discipline and the grace of those who believed in me and my vision for myself.

Throughout history, we can see a long line of people who have felt compelled to a calling beyond their self and defying ideas of what the self is capable of by shattering boundaries. This calling has fallen upon me and it is unavoidable, I have felt it since I received the call that I could come visit the college, and long before that too. I cannot explain logically, and I cannot put an emotion on it or rationalize it because that puts limitations on it, what I feel in this sense is both limitless and boundless to time or space. The books we read on revered people of the past do not favor the weary, nor do they inspire the timid, those who we seek to talk about, mention and remember are the ones who undertook the dramatic task of fundamentally being themselves beyond a shadow of a doubt, and living their truth. They attacked goals fearlessly, inspired passionately and failure was but an opportunity to grow to those we hold in hero status. At age 22, Walt Disney was fired from a Missouri newspaper for "not being creative enough" as a sophomore, Michael Jordan was cut from his basketball team. The mastermind behind Apple, Steve Jobs, dropped out of Oregon's Reed College after one semester. As a young boy, Thomas Edison's teachers told him he was "too stupid to learn anything." And he was fired from his first two jobs for not being productive enough. Although I risk sounding capricious and arrogant, it is important to know Collin O'Donnell of Bluefield was told That he could not lose 75 pounds to join the military, that he would never play college football and his injuries were too severe, he was told by his high school teacher that he would never be anything more than a manager at McDonald's, and he was told that it was ok to give up The Grind during COVID because it was understandable with so many businesses failing. The success story being written is something which will serve meaning in others' lives for decades to come and the way we use our blessings as a company will reverberate throughout history.

When I started this company, I had a small panic attack, I still remember it vividly, I was coming home from practice in September of 2019, and it hit me as I was driving by taco bell. I remember being crowded with a million thoughts, I remember thinking of all the paper work, of all

the obstacles, I remember thinking about all my past suffering and how I did not feel like suffering again, I remembered that I do not know the first thing about making coffee beyond Folgers. I remember thinking to myself that I need to stop kidding myself and put this away before I get too deep. Suddenly, a moment of silence overcame me, and my thoughts ceased, a moment of clarity allowed me to remember my favorite underdog story.

The year prior, Elon musk put his tesla into space. Many do not know that Elon Musk is most famous for starting Pay-Pal. I remember considering the fact that a man put his own company's vehicle into space with his own space company, despite having been born with no knowledge of the sort and teaching himself. I thought to myself, if a man can put his Tesla into space, why in the hell can I not play college football and start a coffee shop in Bluefield.

So I did, I began meeting with a barista at Starbucks after football practice to learn about coffee.

I teamed up with the Bluefield college business department and put together a thorough and comprehensive business plan.

I reached out to mentors in business and business development.

I went online and studied market trends, coffee shop ownership, business margins, gross margins, sales margins, margins all over the place.

I downloaded audible books and every spare-second I had, I listened to books on marketing, studying coffee shop trends, how to increase ticket sales, customer flow, interactions, business and marketing psychology, sales algorithms and mathematical concepts. I studied amazons shipping logistics from the 1990's and created my very own drop-shipping logistical spider web with roasters along the Appalachian Trail. I studied coffee flavors, types, beans, roasts, and everything in between.

I did this without excuse to my team or educational commitments making a 4.0 GPA for that semester, and my alarm is still set every morning for 3 a.m. so I can passionately and promptly get to work.

When COVID hit, I successfully used the knowledge I had gained to not only pivot a business, but a startup business which still needed to establish its brand identity locally.

Something which I have realized over the past few months when asked repeatedly "when did your passion for coffee begin?" is that this has never been about the coffee. This has been about testing myself by creating opportunity out of thin air, this has been about using my creativity soulfully and with service in mind. It was about seeing a need and filling it, it was about being able to provide an example to other veterans that despite the great divide we face, anything is possible in this nation. It's about helping my neighbors... about proving to all those who have shown me grace and helped me over the years that I was worth every single bit of their investment. It was about giving back because I feel destined to do so.

When I started this company I remember saying a prayer one night before bed, and I said "God, I swear I'll let go of expectations, and continue to work on myself while serving others with the good that comes from this idea if you can just let this somehow come together"...and I've taken

that promise incredibly seriously. I am here not because of coffee, but because I'm a wrecking ball on a mission, not because of The Grind but rather the grace I've been shown. I am not here because I pull a good espresso shot, make a good pot of coffee or know all the different kinds of cream cheeses, I'm here because I am going to change the world around me until the entire world is changed and I'm not going to stop until the dozens of people who invested in me see their return tenfold. I am here because I've seen suffering on unimaginable scales and realize that I have the power to use my creativity to render my services passionately.

Before this committee stands the only college-football player owned café in the United States and subsequently, the world. If you think what we've accomplished in a 12-foot trailer for 6 hours a day on the front lawn of downtown is impressive now, wait until you see how we are able to give back and make an impact when we move on this space and open our doors. Watch as your downtown see's Bluefield college students and faculty, for the first time in decades, come downtown with admiration and excitement. Watch as families gather for car shows, movie nights, book clubs and more. Watch as we invest profits in the two Bluefield's and open new businesses, fix up dilapidated structures, and create an environment this town can be proud of. We have so much more to accomplish but now, I must pass the torch to you. I'm unsure if this speech is better left to this committee or the town council, so I will likely give it twice, however, we are ready, we just need a hand right now because we didn't expect this to take off the way it did. I will not beg, I will only respectfully ask that we get this deal done and begin to move forward fearlessly with the courage necessary to engage in the idea that anything is possible and the American dream is still alive and well. I ask you all to remember and call on a time when you decided to risk it all while others starred in disbelief, and I call on you to invoke that emotion you once had where you absolutely knew beyond a shadow of a doubt you were going to make it work somehow, someway, and I ask you to join me in my vision.

As I wrap this up, I am going to show a progression of this company which will prove its worthiness in financial aid and investment, as well as the team that made it possible. I would ask only that this committee keep I mind what they've just heard and well as the fact that it can no longer be denied that we've reached a pivotal moment in downtown and have before us the unique opportunity to impact it for the long term future.

I cannot say with certainty that this business will not fail, it is indeed a risk worth acknowledging and we shouldn't avoid it at all, however, I can say with certainty that as long as I am leading this company that we will always do what's right, I will never give up, and I will always continue to develop a business model which works and seeks to serve others. I will never make excuses for short comings, and I will always take responsibility. Gary Vaynerchuck said that you can build a skyscraper one of two ways, you can tear down everyone else's or you can just build the highest one, The Grind will always choose to build the highest one. Likewise, Alan watts once said "if you want to know what the inside of your mind looks like, just open your eyes, my eyes are open and I see an opportunity before us.

He went over a PowerPoint as well which is attached at the end of the minutes.

Council thanked him.

Mrs. Roberts stated that the IDA met earlier that day and the "build out" was something they had been working on for a long time. She stated that the IDA consisted of the following:

- David Bowers, Chair – retired CPA/downtown business owner
- Wayne Blevins – retired bank manager
- Greg DeGray, Treasurer – Investment Planning Advisors
- Brad Ayers – Engineer
- Lisa Watkins – Realtor/Broker
- David Skidmore – use to own Dillon Block
- Steve Lilly – recently retired CEO of First Community Bank

She stated that the IDA met once every other month but had been meeting more and taking this very seriously. She stated at the meeting there were three motions made:

1. To offer The Grind a monthly lease of \$900 with the first 3 months free.
2. For the secretary to procure financing and see what was available in the amount of \$77k. She stated that the building was divided into 3 suites with electricity, HVAC and bathrooms in each of the 3 dedicated suites. She stated that she would be talking to banks and the Tobacco Commission and DCC to see what was available but that there was a sense of urgency to get this done before September. She stated that she had a contractor ready to start moving water pipes under concrete floors, etc. and that the contractor was experienced in this type of renovation.
3. Ask Town Council for a \$30k loan to put a deposit down to start the project. She stated that once financing was secured then they would repay it. She asked if that was something they would like to do then the agenda would need to be amended to include this with a vote.

Mr. Presley asked her to repeat the last sentence.

Mrs. Roberts stated that they needed a \$30k deposit for the contractor to be able to start work and if they did not ask Town Council for the money then it would be delayed 30-60 days or however long to close the loan. She stated that if the Town loaned them the money, then they would pay it back once the financing was complete.

Mr. Holt stated that was what they had envisioned was for this property to stand on its own two feet. He stated that he did not see any issues helping to get it started.

Mr. Bailey asked if her board (who some were prior bank) felt confident about this.

Mrs. Roberts stated that Steve Lilly had mentioned after 3 years that the bank would look at it and ask what was going to be done afterwards. She stated that there was also the Tobacco Commission and the DCC who were a little more lax. She stated that they would get 80% of the buildings appraisal and had discussed if they should do a line of credit vs. a loan since it was a little cheaper that way,

Mayor Harris asked how many businesses it was designed for.

Mrs. Roberts stated three.

Mr. Trigg suggested they meet with the Town Manager.

Mr. Presley stated that they needed to look at it a little close and could not get in the business as taxpayers of paying for private businesses. He stated that it would have to be for capital improvements on the building.

Mrs. Roberts stated that was what it was for.

Mr. Presley stated that he had just spent \$10k on his building and could not get reimbursed with taxpayer money. He stated that if they were going to do it then it needed to be done right so no other business came knocking on their door asking.

Mrs. Roberts stated that it was not for a business.

Mr. Presley stated that was how it sounded and they needed to be careful.

Mr. Holt stated that he agreed and the only reason he was in agreeance was because the Town would be reimbursed the \$30k. He stated that they would be taking a loan on the building but needed this money upfront.

Mrs. Roberts stated that this would speed up the process and the Town would be loaning the IDA \$30k.

Mr. Presley stated that he was curious if we would have to do any more funding.

Mrs. Roberts stated no.

Mr. Presley stated that he would love to see them up and going.

Mayor Harris asked Mr. Watson if there would be a problem with loaning the money.

Mr. Watson stated that the IDA was not a Town entity but was appointed by the Town as an extension to do things that the local government could not do such as loan money. He stated that the money was never loaned to an individual but we could offer a rebate grant done through the IDA. He stated that the only avenue was through the IDA but by law it could only be given to a 501 c 3 or a non-profit organization. He stated that he had no problem loaning the money if they had a guarantee it would come back. He stated that Council had no authority over the IDA but they would need to have a contract stating the amount loaned and timeframe of repayment. He stated that the building was paid for but instead of using the property that we could co-sign on the loan and would see 2-3% of the money.

Mr. Bailey stated the Town would.

Mr. Watson stated yes that we could co-sign on the loan. He stated that the IDA was budgeted \$2,500 each year.

Mr. Bailey asked since the Town gave the IDA the building if the IDA owned it outright.

Mrs. Roberts stated that the Town gave the IDA money to purchase it. She stated that the Town owned the Bank of Graham Building and leased it to the IDA.

Mr. Bailey asked if the Town was a guarantor on the loan and the IDA defaulted then we would still have the asset.

Mr. Watson stated that the only control that council had was the ability to appoint IDA members. He stated that the IDA was not profitable and gave an example if we had a hotel in Bluefield that paid 5% in lodging tax that an incentive that could be offered to them was to give it back. He stated that the money would have to be given to the IDA after it was paid then the IDA would give it back. He stated that the IDA could borrow the money and if they did not pay then they would lose the building or we could co-sign and if they were not paying then we would know.

Mr. Bailey asked which route he thought was best, to co-sign or let them stand on their own.

Mr. Watson stated \$30k was not a risk and would come back easily.

Mr. Bailey stated then they could do a line of credit for future projects.

Mr. Watson stated yes and eventually there was state funding that was available.

Mrs. Roberts stated that Floyd County received \$75k annually for projects like this from a revolving loan.

Mr. Watson stated that it was a year away.

Mr. Bailey asked if the rent was the same for all 3 sections.

Mrs. Roberts stated that it was \$5 per sqft. She stated that The Grind was 2,200 sqft which was \$916/mth but they dropped it down to an even \$900/mth. She stated the suite closest to Dairy Queen was 1,500 sqft. and the other suite was 1,560 sqft.

Mr. Watson stated that there was \$30k in building improvements: \$10k-HVAC, \$7k-electric and there were no handicap accessible bathrooms. He stated that if they ever left, the IDA would keep it so there would be \$30k in assets when it was over.

Mrs. Roberts stated that Collin used his own stuff for collateral.

Mr. O'Donnell stated that they used \$76k of their own investment from savings, personal, grants, scholarships, etc.

Mr. Watson stated that Collin was named the Tazewell County Business Challenge Winner.

Mayor Harris asked if he paid sales tax.

Mr. O'Donnell stated yes and meals tax.

Mayor Harris stated that he did not see any problems with this and it would be added to the agenda.

High Street Update

Mr. Watson stated that the cost for the High Street (Dump Hill) Project over time and with increases came in at \$773k. He stated that we had \$240k free money to go along with a \$240k match in our Revenue Sharing Program which left us needing \$291k. He stated that over the last several years he had budgeted around \$28k or \$2,393 in monthly payments. He asked if council would like to continue on with the project and borrow over 15 years and pay the extra that was not budgeted but he would not recommend borrowing the full \$532k. He stated that in order to make our budget then the amount would need to be offset or postponed for four years. He stated if we waited then it would have to be rebid for new engineering, etc. which would cost another \$40-\$45k. He stated that it would be an increase of \$145k if they were to wait. He stated in the long run if we received Revenue Sharing that we may save money but there was no guarantee that we would receive any with VDOT changes. He stated that if they chose to move forward then we could use \$160k in paving money that was budgeted and \$40k in concrete so the \$200k would buy down the amount to \$332k meaning we would make payment under budget with the budgeted amount that was already there.

Mr. Presley asked if we would still receive Revenue Sharing money if started on time.

Mr. Watson stated that it did not matter and we applied for money on a 2 year cycle but it took another year to get the money. He stated that we put money in to something but did not receive it for 3-4 years.

Mr. Bailey asked if there was a time constraint on the Revenue Sharing.

Mr. Watson stated that we gave an estimated time frame.

Mr. Bailey asked if it were delayed would it negatively affect the money.

Mr. Watson stated that they have extended projects with VDOT before but we had to show progress. He stated that we had bought properties in-house and have had extensions but he was not sure if we waited another 3 to 4 years if they would want us to give the money back and ask for the whole amount again.

Mr. Bailey stated with paving and concrete it gave us \$200k.

Mrs. Roberts stated that they needed to remember that there would be no VDOT paved streets through July 1, 2021. She stated that the last paved with free money was on Virginia Avenue from Dudley to Luther Street.

Mr. Watson stated that if asked they would need to remember that there would be no paving for one year other than a piece of property he already had contracted for \$2,800. He stated that they could do a 15 year term which was longer than he wanted or wait four years and try to find other funding. He stated that they did not need to decide then but that the contractors were pushing for the bid to be awarded and if they waited too long then it would have to be re-bid and would cost around \$5k.

Mr. Presley asked his recommendation.

Mr. Watson stated if they wanted to see the project done then use the paving and concrete money or wait and find a better way to fund it but would be taking a chance on it not being funding at all. He stated that staff could be looking for money during that timeframe.

Mr. Bailey asked how much had been spent to date.

Mr. Watson stated that he would bring back the numbers.

Mr. Bailey asked if he could do so in two weeks.

Mr. Watson stated yes that they could take it off of the agenda until he brought back the exact numbers. He stated with daily inspections that he may not be able to have an exact number.

Regional Health Care Discussion

Mr. Watson stated that he had sent out an email concerning the closing of BRMC. He stated that a committee was formed and had met with VCOM and PCH but he had received an email last week that the City of Bluefield was having a press type release and asked him to attend. He stated that he wanted to present it to council to see if they would like for him to attend or to stay out of it. He stated that it would be a live interview with Radio Active, BDT, WVVA, Fox 59 and WOAY.

Mr. Holt stated that there were a lot of people upset and questioned the motivation behind the purchase. He stated that he still had a lot of concern himself and thought the Town should stay out of it. He stated that we did not know if they were being truthful and he did not believe that it was completely financial. He stated that if we were to go then the Town would be legitimizing what they were saying and we needed to focus on providing good medical care on our side.

Mr. Bailey asked if he could get a copy of it.

Mr. Watson stated that he had emailed it out.

Mr. Holt stated that he had received it.

Mr. Presley stated that PCH was having a board meeting tonight and they were supposed to allow them to attend the next one.

Mayor Harris asked what they wanted to do.

Council agreed to stay out of it.

Mr. Holt stated that he liked having the committee but that the board needed to be involved with decisions and suggested have a Work Session to discuss.

Mayor Harris asked Mr. Presley if he had an appointment with the CEO.

Mr. Presley stated yes and he would know more after tomorrow. He stated that he wanted to go to their board. He stated that Bluefield, WV has been quiet through it all and not said a word. He stated that we needed to stay out of it and he would deal with Jeff directly and update everyone.

Mr. Trigg agreed.

Mr. Bailey stated that there was nothing to gain and at this point why would we need to stand beside them.

Mayor Harris asked Mr. Presley what his perception of it was.

Mr. Presley stated that they were not prepared and he had been talking to a doctor who had been buying hospitals all over the country. He stated if they closed then they would have to reapply for a lot of regulations which would be costly.

Mr. Holt stated that there was a lot of decision making going on that was affecting our citizens and a solution was going to be on our side.

Mr. Presley stated that consolidating probably had to happen and a lot on the board wanted to stick it to Bluefield.

Mayor Harris stated that the consensus was to stay out of it.

Mr. Watson stated that he would send an email back letting them know that he would not be in attendance.

Council Retreat/Agenda Discussion

Mr. Watson stated that it was brought up to take the times off of the agenda and to move the Executive Session to the beginning of the meeting. He stated that it was also brought up to have a Council Retreat weekend at Pipestem to replace VML this year.

Mr. Holt stated that he had mentioned the times because sometimes they got done quicker and other times they went over. He suggested having a start time only so that they were not restricted to specific times.

Mayor Harris stated that by having a time had its advantages.

Mr. Bailey stated that he understood that if there were times then they would have to wait to discuss a certain item.

Mr. Holt stated with no VML this year that he would like to get together to discuss things that they needed to work on for the upcoming year which was what was usually done when they went to VML. He stated that they needed to sit down and work on an agenda.

Mr. Presley agreed.

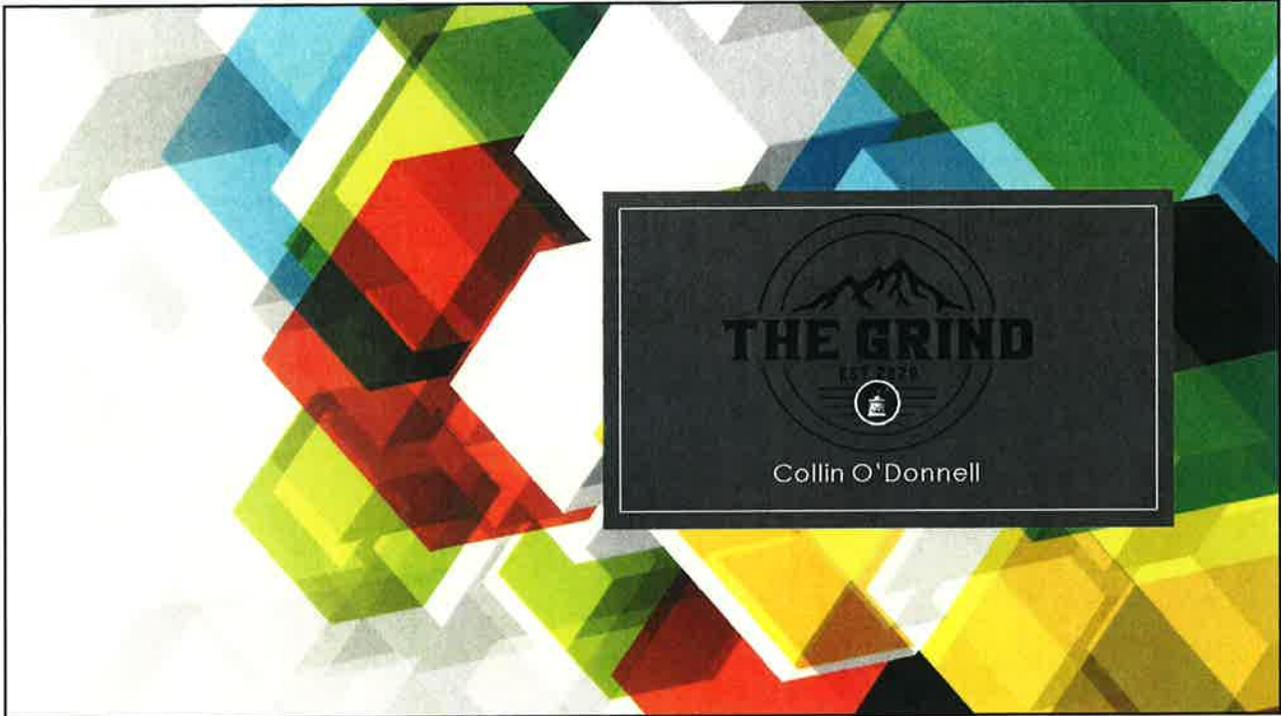
Mr. Watson stated that staff would check on reservations.

ADJOURN

Mayor Harris adjourned the Work Session at 7:19 p.m.

Don Harris, Mayor

Kim Hernandez, Town Clerk



WHERE WE WERE HEADED, PRE-COVID

- 1) A bagel & coffee shop
- 2) An online coffee retailer
- 3) Stream-lined 30k build out with basic features to get us going









COVID hits & the company is faced with choices that would end up re-defining it

By March it was obvious that without cash flow from online sales, the company would hemorrhage its capital with no basis to start off on if opening day was going to happen at all.

The challenge became:

- How do you save face on a brand which is new, and still attempt to establish it locally?
- How do I create business during a global pandemic?
- How do I offer services which people need, especially when they are nervous to leave home?
- How do I compete with convenience that large corporate entities began to offer? (i.e. curbside pickup)
- How do I allocate remaining capital and use it effectively to position a start-up (in the most volatile industry) to make it through a potential full-blown economic depression of mass proportions?



I spent nearly 2 weeks pondering these questions and attempting to consider my solutions in a range of scenarios

First, we ran an ad on the premise of providing a toilet paper roll with every online coffee purchase.

Then we explored the feasibility of transporting our espresso machine and making drinks

Followed by the “aha” moment. We began exploring trailer concession options



Doing what we could with what we had

We had saved approximately \$11,000 for grand-opening expenses, payroll and orders before COVID. Once we realized there would be no grand opening, we used that capital and purchased a 12-foot concessions trailer, generator and pop-up tent as well as our first orders for shopping, cups, coffee sleeves, utensils and miscellaneous items. Shortly before this time, I also sold my jeep for a compact, cheaper car.

THE VISION:

- 1) Operate a pop-up mobile drive thru
- 2) Adhere to all local and national guidelines
- 3) Create something exciting during a depressing time
- 4) Pivot the start-up business in a way which would stun both the community and seasoned business leaders alike
- 5) Create a name for ourselves
- 6) Prioritize downtown and create a sense of local small business leadership to be an example for others
- 7) Make no excuses for ourselves and do all of this legally and through proper channels



The challenge:

- 1) Create a menu with limited capital
- 2) Zoning permit
- 3) Health department
- 4) Licenses
- 5) Logistics during a pandemic with fractured supply chain
- 6) Feed and house 5 football players full time
- 7) Efficiency
- 8) Look at appropriate work hours



Opening day financials: After expending every dime on necessary opening day purchases, the business was -\$288 dollars and was risking its entire future on a single day

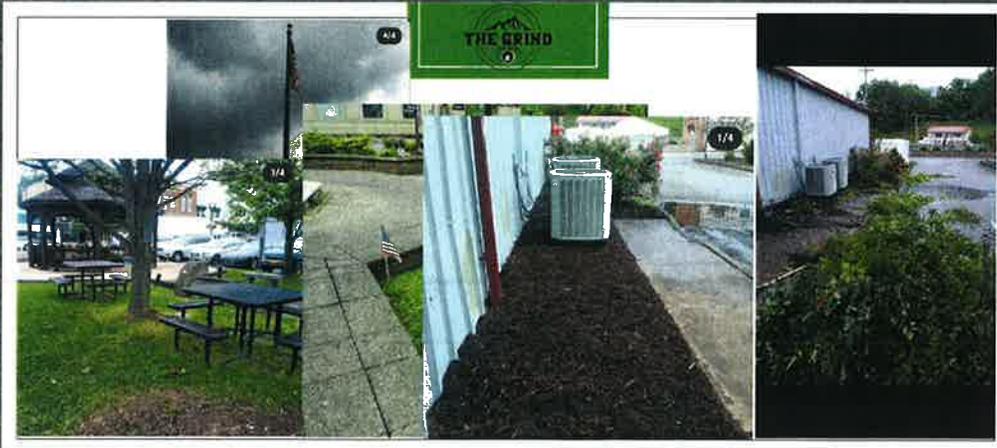
Adaptations

The Bagel Burger
Stake and share holding
Homemade foods
Housing and leveraging my scholarship to keep my team in Bluefield





"To revitalize the local community, revolutionize small business and take part in fearless servant leadership embodied in unrivaled passion, while serving you something worth feeling good about"





THE GRIND

Financials:

We rebounded and with the help of my team I lead an extremely conservative financial effort to save everything we made.

- 1) We took out a 0% forgivable loan from Tazewell county in the amount of 4200 dollars, the third official day of operations
- 2) We saved relentlessly, approximately \$12,000 over 2.5 months
- 3) We received a VCEDA Grant in the amount of \$10,000
- 4) We used a banking card strictly for shopping and expenses as well as payroll which never dips below 700 dollars so we can continue saving

We rebounded by \$27,000



THE GRIND

Our New Direction & explaining build out

We realized it is better to do things right than regret it later.

-With plans introduced to add a commercial hood to the space in order to compliment our new menu and customer feedback, we moved on purchasing a 60-inch dual commercial stove & griddle combo, industrial fridges so we could stop using mine, commercial fryers as well as a commercial bread proofer so we can do some biscuits and soup bowls fresh each day, which was never a part of original plan. We are purchasing a hard-wired commercial espresso machine, soda fountain, and we are paying a friend's father who is an artist to paint murals within the space as an ode to Virginia, so that it is a café everyone can be proud of.

All of this and more has taken the full expenditure of our capital with the necessary savings to open our doors safely without being afraid of cash flow.



End notes and Conclusion.

The Hood and proper build out is not just an investment for The Grind it is a long-term investment for the IDA and a stern back-up plan for the IDA

The building requires significant work to bring it up to code, more than previously thought in the way of plumbing and electrical work including two new bathrooms and commercial power rewiring

The original plan called for labor to be eaten by town workers, who were going to be doing the build out originally, now, due to lay offs, the town has appropriated a hired contractor which comes with a cost

The building needs capital investment and is the center of downtown, if we are going to be the center of downtown, we have to BE the center of downtown.

Although the build out has changed significantly due to these circumstances, what we have asked for has changed minimally, we asked for the addition of a commercial hood so we can continue rocking and rolling, as well as some autonomy on light fixtures and counter top design which was a part of the original plan anyway



We are prepared to pay 916 dollars per month in rent. With the addition of the meal tax not counted, utilities and retail tax, the town will be seeing a net return of over 2200 dollars per month on average, which is extremely conservative. This number will be dependent on meal-tax, but we can assume with double the hours we will double our meal tax to approximately 1,400 per month, along with 916 rent, and over 1500 in utilities. This does not include consequential gains in surrounding businesses, as well as the second business ready to immediately invest in the space adjacent to us.
Pending this deal.

We are willing to re-negotiate lease terms once we have established our selves in 3 years time, however the idea of attempting to pay back the IDAs purchase of the building at 145 thousand dollars during this time as a start-up in a volatile industry, is not attractive to us and we believe our capital would be better allocated in other investments including real estate, other businesses and eventually a second location for The Grind.



We are humbled by the opportunity to present our vision before you and hope you see it as clearly as we do, thank you.

